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SUBJECT: PROSPECTS FOR U.S.-SPANISH COOPERATION ON CUBA

Classified By: COM JONATHAN FARRAR FOR REASONS 1.4 (B) and (D)

11. (C) Chief of Mission hosted new Spanish ambassador Manuel Cacho Quesada for a working lunch March 3 to explore potential for closer US-GOS coordination on Cuba issues. Cacho took up his post in December and has maintained a relatively low profile.

U.S.-Spanish Relations

12. (C) Ambassador Cacho began by saying he had received reports that Spanish Foreign Minister Moratinos had an excellent meeting the previous week with Secretary Clinton. The GOS believes there are good prospects for closer cooperation in the Mediterranean region and elsewhere, potentially leading to a new partnership between our two countries. COM responded that he looked forward to expanding this cooperation locally in Havana.

U.S.-Cuban Relations

- 13. (C) Ambassador Cacho asked what changes to expect in U.S. policy toward Cuba, noting that the entire hemisphere will be watching at the Summit of the Americas to see what the United States has in mind. COM referenced the Cuba-related statements during the Presidential campaign and the Secretary's confirmation hearing, and that Washington was busily preparing for the summit. COM added that he has encountered great interest in potential U.S. policy changes but relatively little talk of potential GOC responses, and asked Ambassador Cacho how he thought the GOC might respond. Ambassador Cacho noted that Raul Castro previously said Cuba would respond gesture-for-gesture, and that the United States should act to put him to the test.
- 14. (C) Ambassador Cacho said he had been struck by the emphasis which his GOC interlocutors placed upon the release of the "Cuban Five" as part of any bilateral dialogue with the United States given that, as he put it, such a release would provide little tangible benefit to Cuba. COM noted this would be an extremely difficult issue upon which to begin a bilateral dialogue and that the appeals of the cases were in the hands of the U.S. judicial system. He added that some observers have noted that beginning with that issue could be seen as a maneuver to block bilateral contacts even before they began. Ambassador Cacho responded that releasing the "Cuban Five" would leapfrog the GOC's position and take away any excuse for it to respond positively. COM replied that if one side were to decide it did not want to engage, there would always be a ready excuse not to do so.

15. (C) The ambassador then segued into other areas of U.S. policy toward Cuba. He asked why the United States had not licensed an Internet cable connection between the United States and Cuba, given that the Internet has proven to be the most uncontrollable source of news worldwide. Surely that would be in the interests of the United States even absent an improvement in bilateral relations. COM noted that this would be an Executive Branch decision, and that USINT devotes considerable resources in Havana to expanding Internet access for the Cuban public.

GOC Reshuffle, and GOC-GOS Relations

- 16. (C) COM asked for Ambassador Cacho's impressions of the GOC Cabinet and other personnel changes announced the day before. The ambassador said that Raul Castro has put people in place that he believes will be more effective, but that we should expect further changes. He said that the GOC realizes that its economic system doesn't work but that it hasn't figured out how to make changes without undermining the political system. The ambassador added that he sees tough times ahead for Cuba's economy, with nickel prices low and tourism during the next high season certain to be hurt by the global economic slump. COM asked how the switch in Foreign Ministers might affect the GOS-GOC and EU-GOC political dialogues. Ambassador Cacho said the change would be a positive one as the new foreign minister was more diplomatic and less political than had been Perez Roque.
- 17. (C) COM asked whether there had been any progress in either dialogue, noting that the GOS had passed a list of ill political prisoners to Perez Roque in the fall of 2008 but no one on the list had been released. Ambassador Cacho responded that the dialogues were processes that couldn't be judged by short-term results. The GOS had raised the prisoners list again in bilateral discussions in Havana in January. This meeting came on the heels of the Spanish Foreign Minister's rebuke of Cuba's ambassador to Spain for public comments he had made criticizing the President of the regional government of Madrid, Esperanza Aguirre. Despite this adverse atmosphere, the GOC had accepted renewed discussion of the list. Ambassador Cacho presented this as progress. (Comment: we will need to be persistent with the GOS and EU if they are to put any teeth in their respective dialogues. End Comment).

Spanish Presence in Cuba

- 18. (C) COM asked how Spanish companies are faring in Cuba. Ambassador Cacho said that most Spanish companies have learned to navigate through the peculiarities of the Cuban political and economic systems, and thus are generally satisfied with their operations. In his words, their knowledge of Cuba's idiosyncrasies gives them a competitive advantage over potential rivals.
- 19. (C) The Spanish consular section has ramped up operations to deal with the deluge of Cuban applicants seeking Spanish passports under Spain's nationality law. Spain expects to receive more applicants from Cuba than any other country in the hemisphere. Ambassador Cacho said that tens of thousands of Cubans will qualify for passports, but not all will receive GOC permission to travel (tarjeta blanca). Chuckling, Ambassador Cacho said the GOC is more concerned over who might return than with who might leave, believing that returnees could be potential intelligence agents. He said there is no bilateral agreement to facilitate issuance of tarjetas blancas to these newly-credentialed Spanish citizens.